

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
As of and for the year ended December 31, 2006**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

9/5/07

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INDEPENDENT AUDITORS' REPORT

MEMBERS

To the Board of Directors
The Volunteer Center of Southwest Louisiana, Inc.
Lake Charles, Louisiana

We have audited the accompanying statement of financial position of The Volunteer Center of Southwest Louisiana, Inc. (a nonprofit organization) as of December 31, 2006, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Robert G. Dunn
CPA

Sara A. Roberts
CPA



DUNN, ROBERTS
& COMPANY, LLC

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Volunteer Center of Southwest Louisiana, Inc. as of December 31, 2006, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information on pages 14 through 18 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information, except for that portion marked as budgetary information on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the financial statements referred to above; and in our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Dunn, Roberts & Company, LLC

DUNN, ROBERTS & COMPANY, LLC
Certified Public Accountants
Lake Charles, Louisiana
April 13, 2007

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**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

STATEMENT OF FINANCIAL POSITION

December 31, 2006

ASSETS

Current Assets	
Cash	\$ 82,260
Grant Receivable	14,092
Total Current Assets	<u>96,352</u>
Fixed Assets	
Building	35,677
Furniture and Fixtures	38,382
	<u>74,059</u>
Less Accumulated Depreciation	34,471
	<u>39,588</u>
Land	7,000
	<u>46,588</u>
	<u>\$ 142,940</u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accrued Vacation Pay	\$ 9,366
Other Accrued Liabilities	166
Deferred Revenue	20,724
Total Current Liabilities	<u>30,256</u>
Net Assets	
Unrestricted	<u>112,684</u>
	<u>\$ 142,940</u>

See accompanying notes to financial statements.

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2006

	Unrestricted	Temporarily Restricted	Total
Public Support and Revenue			
Public Support			
Contributions	\$ 69,106	\$ -	\$ 69,106
Grants	238,557	-	238,557
United Way	97,738	-	97,738
	<u>405,401</u>	<u>-</u>	<u>405,401</u>
Revenue			
Agency Fees	37,189	-	37,189
Interest	585	-	585
Fundraising	17,117	-	17,117
Miscellaneous	15,999	-	15,999
	<u>70,890</u>	<u>-</u>	<u>70,890</u>
TOTAL PUBLIC SUPPORT AND REVENUE	476,291	-	476,291
Expenses			
Program Services	372,188	-	372,188
Management and General	60,413	-	60,413
Fundraising	7,085	-	7,085
	<u>439,686</u>	<u>-</u>	<u>439,686</u>
TOTAL EXPENSES	439,686	-	439,686
CHANGE IN NET ASSETS	36,605	-	36,605
NET ASSETS AT BEGINNING OF YEAR	76,079	-	76,079
NET ASSETS AT END OF YEAR	\$ 112,684	\$ -	\$ 112,684

See accompanying notes to financial statements.

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2006

	Volunteer Connection	310 Program	HMS Program	HMS City Match	Hurricane Relief	Total Program	Management and General	Fundraising	Total
Computers	\$ -	\$ -	\$ -	\$ 1,708	\$ -	\$ 1,708	\$ -	\$ -	\$ 1,708
Conference	1,145	1,055	-	-	-	2,201	-	-	2,201
Depreciation	2,891	2,891	-	-	-	5,782	-	-	5,782
Dues and Fees	516	739	-	-	-	1,255	-	-	1,255
Fringe Benefits	3,639	12,648	-	-	-	16,288	4,095	94	20,477
Fundraising Expenses	-	-	-	-	-	-	-	5,242	5,242
Insurance	1,344	1,344	-	-	-	2,689	689	69	3,447
Miscellaneous	1,475	1,436	-	-	-	2,911	-	-	2,911
Occupancy	4,076	4,076	14,508	2,862	-	25,321	5,120	209	30,650
Office Expense	4,152	2,724	-	-	-	6,876	1,038	-	7,914
Payroll Taxes	2,515	8,114	2,689	660	2,179	14,157	3,149	64	17,370
Postage	692	475	-	-	-	1,167	173	-	1,340
Printing and Publications	3,872	4,207	-	-	-	8,079	-	-	8,079
Professional Fees	5,711	8,864	-	-	-	14,575	-	-	14,575
Salaries	36,885	74,711	44,403	10,939	20,600	187,517	41,532	945	229,994
Services	-	-	18,915	4,729	-	23,643	-	-	23,643
Software	-	-	12,716	3,179	-	15,895	-	-	15,895
Supplies	-	-	-	-	16,793	16,793	-	-	16,793
Telephone	5,688	5,688	-	-	6,172	17,548	2,917	292	20,757
Travel and Conferences	3,316	3,316	-	-	1,090	7,723	1,700	170	9,593
Awards	60	-	-	-	-	60	-	-	60
	<u>\$ 77,957</u>	<u>\$130,289</u>	<u>\$99,231</u>	<u>\$23,877</u>	<u>\$46,834</u>	<u>\$372,188</u>	<u>\$ 60,413</u>	<u>\$ 7,085</u>	<u>\$439,686</u>

See accompanying notes to financial statements.

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2006

Cash Flows From Operating Activities	
Change in Net Assets	\$ 36,605
Adjustments to Reconcile Changes in Net Assets to Cash used by Operating Activities:	
Depreciation	5,782
(Increase) Decrease In:	
Grant Receivable	5,286
Increase (Decrease) In:	
Other Accrued Liabilities	(329)
Deferred Revenue	(3,593)
Accrued Vacation Pay	<u>225</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	43,976
 Cash Flows From Financing Activities	
Repayment of Notes Payable	<u>(8,190)</u>
 NET CASH USED IN FINANCING ACTIVITIES	 <u>(8,190)</u>
 Net Decrease in Cash	 35,786
 CASH, BEGINNING OF YEAR	 <u>46,474</u>
 CASH, END OF YEAR	 <u><u>\$ 82,260</u></u>

See accompanying notes to financial statements.

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

NOTES TO FINANCIAL STATEMENTS

As of and For the Year Ended December 31, 2006

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The Volunteer Center of Southwest Louisiana, Inc. was originally organized for the purpose of promoting volunteerism in southwest Louisiana. The Agency operates under a Board of Directors, which appoints an Executive Director and otherwise controls and guides the Agency. Its Volunteer Connection program exists for the purpose of mobilizing people and resources to deliver creative solutions to community problems. Its 310Info/211 Program exists to act as a link between people in need and various agencies in a five-parish area via telephone and Internet access. Its Homeless Management Information System (HMIS) and the City's Match exist to collect data about the homeless population of Southwest Louisiana in order to maximize the efficiency of organizations, programs, and services assisting the homeless.

Funding from the Calcasieu Parish Police Jury, the City of Lake Charles, the United Way of Southwest Louisiana, grants from the State of Louisiana Department of Social Services, and an HMIS grant from the Department of Housing and Urban Development provided the majority of the funding for the Agency's 2006 programs.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

Basis of Presentation

The Agency has adopted Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Agency is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets Net assets not subject to donor-imposed stipulations.

Temporarily restricted net assets Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Agency and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently restricted net assets Net assets subject to donor-imposed stipulations that they be maintained permanently by the Agency. Generally, the donors of these assets permit the Agency to use all or part of the income earned on any related investments for general or specific purposes.

continued

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

As of and For the Year Ended December 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Public Support and Revenue

The Agency has also adopted SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Unconditional promises to give are recorded when the promise is made. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value.

Grants and Contributions Receivable

Grants and contributions receivable are stated at net realizable value. In determining whether or not to record an allowance for doubtful accounts, management makes a judgmental determination based on an evaluation of the facts and circumstances related to each account.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Agency considers all cash and other highly liquid investments with original maturities of ninety days or less to be cash equivalents. There were no cash equivalents at December 31, 2006.

Property and Equipment

Property and equipment are capitalized at cost or at estimated fair value at date of gift, if donated. Depreciation is provided for in an amount sufficient to relate the cost of depreciable assets to operations over their estimated service lives on the straight-line basis. The Agency uses a capitalization threshold of \$500. Depreciation expense for the year amounted to \$5,782.

continued

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

As of and For the Year Ended December 31, 2006

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments

The Agency's financial instruments, none of which are held for trading purposes, include cash, grant receivable, and mortgage payable. The Agency estimates that the fair value of all financial instruments at December 31, 2006, does not differ materially from the aggregate carrying value of its financial instruments recorded in the accompanying statement of financial position.

Income Taxes

The Volunteer Center of Southwest Louisiana, Inc. is exempt from federal income taxes, under Section 501(c)(3) of the Internal Revenue Code, and from Louisiana income taxes. Therefore, no provision has been made for federal or state income taxes in the accompanying financial statements. In addition, the Agency has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a)(2) of the code. Currently, the Agency engages in no activities that would be taxed as unrelated business income.

Fundraising Income and Fundraising Expenses

The Agency engaged in several fundraising events during 2006. Gross proceeds from fundraising amounted to \$17,117 and the related direct fundraising expenses were \$7,085.

Functional Expenses

Expenses have been classified by specific functions where ascertainable. Those expenses, which cannot be specifically identified by function type, have been allocated to functions based upon management's best estimate of usage.

NOTE B - DONATED SERVICES

During the year ended December 31, 2006, many individuals volunteered their time and performed a variety of tasks that assisted the Agency at fundraising activities; however, these services did not meet the criteria for recognition as contributed services.

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

As of and For the Year Ended December 31, 2006

NOTE C – GRANTS

The Agency received an HMIS grant from the Department of Housing and Urban Development and a matching grant from the City of Lake Charles. \$103,470 and \$26,570, respectively, of funding from these two grants were expended on a cost reimbursement basis. In addition, the Organization received \$20,724 from the City for expenses to be incurred during 2007. This amount is recorded as deferred revenue on the statement of financial position. The Agency met its financial and compliance requirements of all grants received during the year.

Additionally, the Agency received funds from the State of Louisiana Department of Social Services and the Calcasieu Parish Police Jury for Hurricane relief efforts. During the year the Agency received \$42,806 and expended \$50,853.

NOTE D – RETIREMENT BENEFITS

The Agency has a defined contribution plan. All regular and full time employees are eligible to participate in the plan on the first day of the month after completing three years of continuous and uninterrupted employment. The Agency determines plan provisions and changes to plan contributions.

Under a defined contribution plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account and the returns earned on investments of those contributions. Under the plan the Agency contributes 6% of the employee's basic salary to the plan. For the year ended December 31, 2006, the Agency's contributions were \$6,489.

NOTE E – FUNCTIONAL ALLOCATION OF EXPENSES

Expenses were allocated in the accompanying financial statements to program and supporting service functional expense groups. The methods of allocation were based on several factors such as utilization of office space as well as the Agency's estimates of the relative proportion of various staff members, time and effort between program and administrative functions.

The allocation of indirect costs for the Volunteer Connection and the 310 Program was based on the following 2006 percentages:

Program	78%
Management and General	20%
Fund Raising (Volunteer Connection only)	2%

The allocation of indirect costs for the HMIS Budget, City Match, and the Hurricane Budget was based on the following 2006 percentages:

Program	85%
Management and General	15%

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

As of and For the Year Ended December 31, 2006

**NOTE F – ECONOMIC DEPENDENCE AND CURRENT VULNERABILITY DUE TO
CERTAIN CONCENTRATIONS**

The Agency's operations are concentrated in Southwest Louisiana. During 2006, the Agency received approximately 50% of its support and revenues from government grants and 21% from the United Way. The operations of the Agency are subject to the administrative directives, rules, and regulations of federal and state regulatory agencies. Such administrative directives, rules, and regulations are subject to change by legislative acts or administrative changes. Such changes may occur with little notice or inadequate funding to pay the related cost, including additional administrative burden, to comply with a change.

SUPPLEMENTAL INFORMATION

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

SCHEDULE OF SUPPORT, REVENUE, AND EXPENSES - 310 PROGRAM

For the Year Ended December 31, 2006

	Year 2006		Under (Over)	
	Budget		Budget	
Public Support and Revenue				
Public Support				
Contributions	\$ 25,292	\$ 52,876	\$ 27,584	
Grants	65,712	87,584	21,872	
United Way	51,000	51,000	-	
	<u>142,004</u>	<u>191,460</u>	<u>49,456</u>	
Revenue				
Agency Fees	30,129	-	(30,129)	
Miscellaneous	278	-	(278)	
	<u>30,407</u>	<u>-</u>	<u>(30,407)</u>	
TOTAL PUBLIC SUPPORT AND REVENUE	<u>\$ 172,411</u>	<u>\$ 191,460</u>	<u>\$ 19,049</u>	
FUNCTIONAL ALLOCATION				
			Program	Management
			Services	and General
				Fundraising
Expenses	\$	\$	\$	\$
Awards	-	100	100	-
Conference	1,055	850	(205)	1,055
Depreciation	2,891	-	(2,891)	2,891
Dues and Fees	739	850	111	739
Fringe Benefits	15,812	15,357	(455)	12,849
Insurance	1,456	2,500	1,044	1,344
Miscellaneous	1,436	5,146	3,710	1,436
Occupancy	-	8,500	8,500	4,076
Office Expense	2,724	3,500	776	2,724
Payroll Taxes	7,643	8,269	626	8,114
Postage	475	1,750	1,275	475
Printing and Publication	4,206	4,000	(206)	4,206
Professional Fees	8,864	14,500	5,636	8,864
Rent and Repair Equipment	-	1,000	1,000	-
Salaries	93,388	107,638	14,250	74,711
Telephone	10,027	12,500	2,473	5,668
Travel and Conferences	3,809	5,000	1,191	3,316
TOTAL EXPENSES	<u>\$ 154,525</u>	<u>\$ 191,460</u>	<u>\$ 38,935</u>	<u>\$ 130,288</u>
			\$ 23,369	\$ -

See accountants' report.

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

**SCHEDULE OF SUPPORT, REVENUE, AND EXPENSES - VOLUNTEER
CONNECTION**

For the Year Ended December 31, 2006

	Year 2006		Under (Over)		
	Budget		Budget		
Public Support and Revenue					
Public Support					
Contributions	\$ 43,814	\$ 5,460	\$ (38,354)		
Special Events	-	16,500	16,500		
United Way	48,738	48,738	-		
	<u>90,552</u>	<u>68,698</u>	<u>(21,854)</u>		
Revenue					
Agency Fees	7,060	22,068	15,008		
Fundraising	17,117	-	(17,117)		
Interest	585	-	(585)		
Membership Dues	-	1,365	1,365		
Miscellaneous	15,721	15,400	(321)		
	<u>40,483</u>	<u>38,831</u>	<u>(1,652)</u>		
TOTAL PUBLIC SUPPORT AND REVENUE	<u>\$ 131,035</u>	<u>\$ 107,529</u>	<u>\$ (23,506)</u>		
FUNCTIONAL ALLOCATION					
Expenses			Program	Management	Fundraising
			Services	and General	
Awards	\$ 60	\$ 100	\$ 40	\$ 60	\$ -
Conference	1,146	2,416	1,270	1,145	-
Depreciation	2,891	-	(2,891)	2,891	-
Dues and Fees	516	735	219	516	-
Fringe Benefits	4,885	7,775	3,110	3,839	94
Fundraising Expenses	5,242	-	(5,242)	-	5,242
Insurance	1,992	3,790	1,798	1,344	69
Miscellaneous	1,475	4,021	2,546	1,475	-
Occupancy	10,451	14,126	3,675	4,078	209
Office Expense	5,189	8,820	3,731	4,182	-
Payroll Taxes	3,225	3,043	(182)	2,515	64
Postage	865	1,250	385	692	173
Printing and Publication	3,872	5,780	1,908	3,872	-
Professional Fees	5,711	4,500	(1,211)	5,711	-
Rent and Repair Equipment	-	1,300	1,300	-	-
Salaries	47,262	39,523	(7,739)	36,865	945
Telephone	4,568	5,250	682	5,688	292
Travel and Conferences	4,894	5,000	306	3,316	170
TOTAL EXPENSES	<u>\$ 103,814</u>	<u>\$ 107,529</u>	<u>\$ 3,715</u>	<u>\$ 77,957</u>	<u>\$ 7,085</u>

See accountants' report.

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

SCHEDULE OF SUPPORT, REVENUE, AND EXPENSES - HMIS PROGRAM

For the Year Ended December 31, 2006

Federal and State Grants	
Grants	<u>\$ 103,470</u>
TOTAL FEDERAL AND STATE GRANTS	<u><u>\$ 103,470</u></u>
 Expenses	
Administrative Fees	\$ 5,547
Equipment	1,200
Space and Operations	10,321
Salaries and Payroll Taxes	55,402
Services	18,915
Software	<u>12,716</u>
TOTAL EXPENSES	<u><u>\$ 104,101</u></u>

See accountants' report.

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

**SCHEDULE OF SUPPORT, REVENUE, AND EXPENSES - CITY OF LAKE CHARLES
HMIS CASH MATCH,
SCHOLARSHIPS, COMPUTERS, AND INTERNET ACCESS**

For the Year Ended December 31, 2006

Federal and State Grants

Grants and prior periods unused receipts	\$ 26,570
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TOTAL FEDERAL AND STATE GRANTS	\$ 26,570
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Expenses

Computer Expense	\$ 1,708
Equipment	300
Internet Access	241
Space and Operations	2,591
Salaries and Payroll Taxes	13,646
Scholarships	-
Services	4,728
Software	3,179

TOTAL EXPENSES	\$ 26,393
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See accountants' report.

**THE VOLUNTEER CENTER
OF SOUTHWEST LOUISIANA, INC.**

SCHEDULE OF SUPPORT, REVENUE, AND EXPENSES - DSS HURRICANE RELIEF

For the Year Ended December 31, 2006

Federal and State Grants	
Grants	\$ 42,806
TOTAL FEDERAL AND STATE GRANTS	<u>\$ 42,806</u>
 Expenses	
Miscellaneous	\$ 13,682
Salaries and Payroll Taxes	26,798
Supplies	3,111
Telephone and Equipment	6,172
Travel	1,090
TOTAL EXPENSES	<u>\$ 50,853</u>

See accountants' report.